



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

California State Office
2800 Cottage Way, Suite W1834
Sacramento, California 95825

www.ca.blm.gov



May 10, 2001

In Reply Refer to:

1400-831(P)

CA-945

EMS TRANSMISSION: 5/10/2001

Information Bulletin No. **CA-2001-033**

To: All Employees

From: Deputy State Director, Support Services

Subject: Thrift Savings Plan Open Season - May 15, 2001 to July 31, 2001

The next Thrift Savings Plan (TSP) open season begins May 15, 2001, and ends July 31, 2001. During this open season eligible employees may begin contributing, change the amount of their contributions, and/or change the allocation of their contributions among the TSP investment funds.

The TSP is a retirement savings plan for Federal employees offering the same type of savings and tax advantages similar to "401(k)" plans in the private sector. TSP contributions are tax-deferred; you will not pay taxes on your contributions or earnings until you withdraw your account. Employees covered by the Federal Employees Retirement System (FERS) or the Civil Service Retirement System (CSRS) may participate in the plan. For FERS employees, the TSP is an integral part of their retirement package, along with Social Security and the FERS Basic Annuity. CSRS employees can supplement their retirement income by participating in the TSP.

One of the new features the plan has to offer this May is the elimination of the lengthy waiting period for newly appointed FERS employees. In the past, depending on the date of hire, new employees had to wait up to 12 months before they were eligible to contribute to the plan. Beginning with this open season, employees appointed between January 1 and June 30, 2001, can participate in the plan during this open season. The waiting period for the agency contributions, however, has not been eliminated, therefore, they are still subject to the waiting period to receive any agency matching contributions. Beginning July 1, 2001, newly appointed Federal employees who have never participated in the plan before, will be eligible to participate immediately. They will have a 60 day initial enrollment period, similar to the one they have for health benefits. Questions regarding eligibility should be addressed to the Human Resources staff.

Participation rules differ for FERS and CSRS employees. FERS employees may contribute up to 11% of their basic pay during this open season. They will also receive agency matching contributions, which are as follows: the agency will match the first 3% of employee contributions dollar for dollar and 50 cents on the dollar for the next 2 percent. They will also receive an automatic agency contribution of 1% whether they contribute any of their own money or not. CSRS employees may contribute up to 6% of their basic pay, however, they do not receive any agency contributions. Beginning in July the contribution limits for FERS and CSRS employees will increase by 1% each year for five years. In 2006, the contribution limits will be eliminated entirely. The total amount that an employee may contribute to the TSP each year will continue to be capped by the Internal Revenue Service (IRS) elective deferral limit. For 2001 the IRS limit is \$10,500.

Beginning in May 2001, there will be five investment funds available. The current funds are the Government Securities Investment (G) Fund, the Fixed Income Investment (F) Fund, and the Common Stock Index Investment (C) Fund. The two new funds are the Small Capitalization US Stock Index (S) Fund, and the International Stock Index (I) Fund. Before making new investment decisions, check the TSP web site, www.tsp.gov for more detailed fund information.

Beginning in May 2001, participants will be able to reallocate future TSP contributions among the various funds **at any time**. Changes in fund allocations are no longer tied to open season elections. These changes can be made accessing the TSP web site, the TSP ThriftLine (504) 255-8777, or by use of the **new form TSP-50**. A Personal Identification Number (PIN) is required for accessing your account via TSP web site or the ThriftLine. If you do not know your PIN, you can request a new one from the Account Access section of the web site or from the TSP ThriftLine. You can also obtain information regarding your account balance, available loan amounts, loan interest rates, and more from the TSP web site. If you prefer to complete the form TSP-50, you will have to mail it directly to the TSP Service Office at the National Finance Center in New Orleans (the address is on the form). Personnel or Payroll Office staffs will no longer be able to enter fund allocations in the FPPS system, although total contribution percentages or amounts will still be processed in FPPS.

Be sure to review the **new** *Summary of the Thrift Savings Plan* before making any TSP decisions and to become familiar with the plan's features. The booklet is being distributed to all permanent employees. All TSP forms (**except the TSP-50**) and booklets can also be downloaded from the TSP Web site.

Open Season elections may be made by submitting a TSP Election Form (TSP-1) to your Human Resources Office or by using **EMPLOYEE EXPRESS**. With EMPLOYEE EXPRESS there is no passing of paper forms to your Personnel/Payroll offices thus eliminating the chance of lost paperwork. You make your choices via telephone or Kiosk, and the requested changes are confirmed by you before you complete your transaction. EMPLOYEE EXPRESS transactions require a PIN which can be obtained by calling the EMPLOYEE EXPRESS help desk at (478) 757-3030. The help desk is available Monday through Friday between 7 a.m. and 7 p.m. ET.

The following TSP transactions can be made via Employee Express:

- Start enrollment during Open Season
- Change the percentage or dollar amount of pay during Open Season
- Cancel contributions at any time throughout the year

Note: Employee Express does not allow investment fund changes.

The EMPLOYEE EXPRESS numbers for making TSP and/or other changes are:

- From work - (478) 757-3080
- From any touch-tone telephone - 1-800-827-6254
- TDD Service - (478) 757-3117 or 1-888-880-0412
- Web Site: <http://www.employeeexpress.gov>

The effective date of open season enrollments or changes will be **July 1, 2001**. Election forms received after July 1, 2001 will become effective the first day of the pay period following the one in which the election form has been received by the Human Resources Office.

Questions regarding the TSP may be directed to Angie Dailly at (916) 978-4462.

Signed by:
Karen Barnette
DSD< Support Services

Authenticated by:
Richard A. Erickson
Records Management

